

MANCHESTER WATER AND SEWER COMMISSION
APRIL 3, 2025

The Manchester Water and Sewer Commission met on Thursday, April 3, 2025 for a regularly scheduled meeting.

Director Perry made an announcement that this meeting will be live streaming.

Chairman/Commissioner Anderson called the meeting to order at 3:00 PM.

Roll taken by Director Jeff Perry and present were: Chairman/Commissioner Anderson, Vice-Chairman/Commissioner Watson, Secretary/Commissioner Hunt, Commissioner Hillsman, Alderman Anderson, Mayor Hobbs, and Director Jeff Perry. A meeting quorum had been established.

Absent: Billing Office Manager Jennifer Hall

Late Arrival: Mayor Hobbs

- 1) The agenda of the regular meeting on April 3, 2025, was approved upon a motion by Vice-Chairman/Commissioner Watson, second by Commissioner Hillsman. Chairman/Commissioner Anderson added a new item to discuss under new business regarding clarification of needed number of commissioners to sit on the board from Alderman Anderson. After a vote was taken, the motion passed. 5-0

2) **Citizen Comments:**

None to report.

- 3) The minutes of the regular meeting on March 6, 2025, were approved upon a motion by Commissioner Hillsman, second by Chairman/Commissioner Watson. After a vote was taken, the motion passed. 4-1 Alderman Anderson, Abstain

4) **Mayor's Report:**

Mayor Hobbs reported that, due to recent hard rain (overflows) and the need to submit information to the State, he is awaiting a report from Director Perry.

5) **Director's Report:**

1. Director Perry introduced Lonnie Foley as the new Assistant Director of Water and Sewer. Mr. Foley comes from Galveston, Texas, with an extensive background in the utility field, particularly with experience in Inflow and Infiltration (I&I). Director Perry expressed that he looks forward to working with Assistant Director Foley and collaborating on future projects.
2. Director Perry shared that Dana Douglas began his role as the Water and Sewer Operations Manager three weeks ago and has already made a significant impact. Mr. Douglas has done an excellent job recovering and documenting the historical knowledge of the plant, which had been lost over time. With Austin Haithcote overseeing operations following the departure of previous operators, Mr. Douglas has helped clarify and enhance operational procedures. Director Perry expressed his appreciation and is glad to have Mr. Douglas back as part of the team.
3. Director Perry reported that the department crews have been extremely busy, working extended hours due to a significant water main break on Blakemore Street. During the repair, an 8" concrete sewer line was also discovered to be damaged, allowing water intrusion on West Moore Street. In response, Director Perry made the decision to initiate an emergency locate and proceed with overnight repairs to address the issue promptly.

In anticipation of the heavy rainfall and the resulting inflow and infiltration (I&I) impacting Spring Street, it was critical to act quickly. The repair site involved a 30" tile located above the Street Department's work area, requiring the use of a

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trench box for safety. Director George Gannon allowed use of the Street Department's dump truck to assist with the repair effort.

Director Perry emphasized the effective collaboration between departments and commended the teamwork that led to the successful completion of the repair. A presentation was provided to the board showing before and after images of the repair site. Chairman Anderson confirmed that all work was completed in-house.

5.1 Water Distribution:

- a) For the month of March 2025, there were 11 water line repairs completed, 7 service lines replaced, and 7 new taps installed.

5.2 Wastewater Plant:

- a) The department is continuing to work on infrastructure components that are currently out of service and need to be replaced to maintain system reliability.
- b) Director Perry reported that Daniel Powers has decided to discontinue allowing the land application of biosolids on his properties. As a result, Austin Haithcote and Mayor Hobbs have been in discussion to secure new properties for land application or explore alternative disposal methods. Communications have been initiated with TDEC Biosolids personnel, and the necessary documentation is being prepared for the approval of new application sites.

Director Perry informed the board that one of the current disposal options under consideration is hauling biosolids to Middle Point Landfill. The estimated annual cost for disposal is approximately \$9,000.00, based on a rate of \$45.00 per ton and an estimated 200 tons for the year 2025.

Mayor Hobbs acknowledged and expressed gratitude to Mr. Daniel Powers, who had generously allowed land application of biosolids on his property for over 30 years. With that option no longer available, the department is now exploring alternative solutions. These include working with several local farmers and landowners for potential new application sites, or adopting a hybrid approach—hauling biosolids for six months and land applying during the other half of the year.

Chairman Anderson inquired about the status of approval from TDEC. Director Perry responded that the department is currently awaiting TDEC's formal approval letter for landfill disposal and continues to actively seek new land application sites.

- c) Director Perry reported that the department is in the process of obtaining quotes for launder covers for the new north clarifier to be included in next year's budget. These covers are important to help control algae growth during the summer months. Excessive sunlight promotes algae blooms, which negatively impact the UV disinfection process.

As a temporary or alternative solution, one option discussed was using tarps to block sunlight over the clarifiers. However, launder covers are a more permanent, but costly solution.

Secretary/Commissioner Hunt inquired about the feasibility of using floating balls—commonly used in water reservoirs—as a cost-effective alternative. Austin Haithcote responded that he was unsure about their effectiveness in a wastewater treatment setting. Director Perry agreed to investigate the suitability and potential cost of this method.

5.3 Wastewater Collection System:

- a) Director Perry reported that quotes for the upgrade of the North Ridge Station have not yet been received. The department is continuing to follow up with vendors and engineers to obtain the necessary estimates for budgeting and planning purposes.
- b) Director Perry reported a failure at the Old Stone Fort private sewer station. The cause of the failure remains unknown. DeWitt with the State confirmed that the City is not responsible for reporting issues related to private lines. It was also noted that they have been conducting sewer work to help mitigate ongoing issues on their end.

5.4 Sewer Collection System Projects:

- a) Duke Root Control, under the Federal ARP Grant, has now televised approximately 137,000 feet of sewer line as part of the ongoing assessment and infrastructure improvement efforts.
- b) Smoke testing is scheduled to begin in May and run through June, with an estimated 35 days needed to complete the process. Door hangers and public notifications will be distributed in advance to inform residents and businesses in the affected areas.
- c) Director Perry reported that he has not yet received any updates on the Norris Brothers' project. However, Adam Carter informed the board that work on the Sycamore Circle line is currently underway and they are waiting on pipe delivery to proceed further.

5.5 Wastewater Pretreatment:

- a) Director Perry provided Matthew Meisel and Ms. Annie of Little Leaf Farms with a blank DMR (Discharge Monitoring Report), a "Will Serve" letter, and an Industrial Waste Survey. Additional discussions took place regarding the proposed water tower and other key infrastructure components that will need to be agreed upon prior to finalizing the project.
- b) Had a meeting with Great Lakes Cheese regarding a pretreatment violation. They have been consistently violating the BOD hold time requirements with their samples over the past 5 to 6 months. The issue stems from their wash-downs occurring on Fridays, and they are unable to adjust this schedule due to operational constraints.

Since BOD testing requires a 48-hour hold time, most labs are unavailable to process these samples on Sundays, making it difficult to remain in compliance. Director Perry advised Great Lakes Cheese that, to resolve the issue, they could pay the City directly for the required labor and lab fees. This solution would help them return to compliance and avoid further violations.

5.6 Water Billing Office:

- a) The Water Billing Office is currently preparing a mass mailing of cross-connection control forms to ensure compliance with the recent state audit recommendations.

5.7 Manhole Overflows:

- a) A list of recent manhole overflows (due to 5 to 6 inches of rain) was distributed to the board members for their review and records.

6) Budget Review:

- a) Director Perry noted that the budget initially provided to him was incomplete. However, he is aware of the balances available in specific line items, including one for vehicle purchases. He plans to meet with Anthony the following week—pending

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board approval at this meeting—to move forward with purchasing vehicles, as funds are currently available based on the last budget review. The \$1 million line item allocated for wastewater plant repairs still has approximately \$600,000 remaining, along with a few other under-run line items. To make the most of available funds before the end of the fiscal year, the department is requesting approval to purchase much-needed trucks and equipment. Many of the current vehicles and equipment have been patched together over time, and to continue serving the city effectively, updated resources are essential. Director Perry has obtained quotes and prepared multiple budget scenarios to account for the different routes they could take, depending on the board's decision.

- b) On the equipment menu index, two quotes were provided—one for a Bobcat and another for a Kubota. The Kubota is approximately \$1,000 more expensive; however, it is considered top-of-the-line. The foreman has expressed a preference for the Bobcat at \$64,000.00, and Director Perry acknowledged and understands the reasoning behind that preference.
- c) The department is in need of a dump truck, a crane truck, and a crew truck. Currently, the existing crane truck is outdated, undersized, and struggles to lift pumps effectively, posing a potential safety hazard. Director Perry has received a quote for a fully equipped crane truck—including the bed, welder, and all necessary specifications—for \$230,000. This vehicle would be fully capable of servicing any of the city's pumping stations.
- d) The department's current dump truck has significant mechanical issues, and we are grateful to Director Gannon for allowing us to use his dump truck during a recent emergency. While he has offered its use again if needed, the department currently does not have a dedicated dump truck of its own.
- e) Director Perry informed the board that the department is also in need of another crew truck. His proposal is to begin by purchasing one crew truck now and implement the addition of more over time. The plan would include acquiring two F-150s and one Ford Ranger to start, and then requesting more vehicles in next year's budget to continue phasing out the aging fleet.

By investing in new vehicles now, the department can avoid continued costs associated with band-aid fixes and instead modernize the fleet by the end of this fiscal year. This would allow the department to shift its future focus and funding toward addressing other pressing infrastructure needs—without having to worry about recurring vehicle breakdowns.

- f) Chairman/Commissioner Anderson asked whether the funds were available in the current budget. Director Perry confirmed that, as of last month, they were. The total cost for the proposed vehicles—which includes two F-150s, a Ford Ranger, a dump truck, a crane truck, one crew truck, and a Mini Excavator (Mini-X)—comes to \$591,782.17. Of that, \$478,000 was already allocated for vehicles in the budget during the last BOMA meeting. An additional \$112,000 has already been spent on four new vehicles.

If the department is able to move forward with the current request, while continuing to utilize the few existing serviceable vehicles, the fleet would be in much better shape. Director Perry emphasized that the department's current vehicle and equipment situation is as outdated and strained as the sewer system, making these upgrades a priority.

Chairman/Commissioner Anderson noted that while the proposed vehicle purchases appear to fall within the current budget, a formal recommendation should still be made to the Board of Mayor and Aldermen (BOMA).

Alderman Anderson asked whether an additional recommendation was necessary if the funds had already been approved for vehicle purchases. Director Perry clarified that, although funds were allocated for vehicles, the total proposed purchase amount

exceeds the original budgeted line item. Therefore, official approval is required. He also reminded the board that any purchase exceeding \$35,000 must go before BOMA for approval, regardless of whether it was included in the budget.

Mayor Hobbs agreed, stating that while the funding is in place, a formal resolution must still be passed at the BOMA level to authorize the expenditure. Director Perry added that the quotes for the vehicles are valid through June 10, 2025.

Alderman Anderson emphasized the importance of providing the department with the necessary equipment: "If we're asking your staff to do hard and dangerous work—and you're doing it—we need to give you the tools to do the job safely. The money is there." She then made a motion to bring the vehicle and equipment purchases request to BOMA for approval at the next meeting. Chairman Anderson seconded. After a vote was taken, the motion passed. 5-0

7) New Business:

7.1 Rates:

- a) By the time we dispatch staff and compensate them for the hours worked, the fees we currently collect are not covering our actual costs—resulting in a financial loss for the department.

Old to Proposed New Fees

1. Activation Fee for New Service: \$35.00 to \$100.00
2. Activation Fee for Transfer of Service: \$35.00 to \$75.00
3. After Hours Activation Fee: \$55.00 to \$100.00
4. Returned Payment Fee: \$20.00 to \$50.00
5. Water Late Payment Fee: 10% of the outstanding balance to 15%
6. Sewer Late Payment Fee: 10% of the outstanding balance to 15%
7. Deposit (Rental Accounts): \$150.00 and up to nonrefundable
8. Deposit (Standard Accounts): \$100.00 to \$150.00 nonrefundable
9. Cut Lock Fee (Parts & Labor): Based on actual costs to \$200.00 penalty fee
10. Water Tampering Fee: \$200.00 and up to \$200.00 and up
11. Temporary Cut-On and Cut-Off Fee: \$15.00 to \$100.00

Vice-Chairman/Commissioner Watson made a motion to recommend an approve of the new water & sewer fees, Commissioner Hillsman seconded. After a vote was taken, the motion passed. 5-0

- b) Please review the proposed and current charges hourly cost for the Manchester Water and Sewer Department. Put them side by side for comparison, specifically for equipment used in our department—at our shop—for a vac truck. The paperwork we're referencing dates back to the 1980s, and some of the rates have handwritten changes or corrections.

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Old to Proposed New Hourly Rate Fees

1. Vac Truck \$100.00 to \$200.00
2. Skid Steer \$60.00 to \$150.00
3. Backhoe \$60.00 to \$150.00
4. TV Van \$100.00 to \$200.00
5. Trucks \$40.00 to \$70.00
6. Dump Truck \$50.00 to \$150.00
7. Trencher \$50.00 to \$150.00
8. Mower \$50.00 to \$60.00
9. Small Jet Rig \$25.00 to \$100.00
10. Large Jet Rig \$50.00 to \$150.00
11. Air Compressor \$50.00 to \$100.00
12. Boring Rig \$50.00 to \$200.00
13. Smoke Machine \$30.00 to \$50.00
14. Pumps \$15.00 to \$75.00
15. Small Tapping Machine \$25.00 to \$200.00
16. Large Tapping Machine \$60.00 to \$200.00
17. Labor \$31.55 to \$75.00
18. Sewer Camera \$50.00 to \$200.00
19. Bush Hog \$60.00 to \$100.00

Chairman/Commissioner Anderson asked for a general timeline on when we provide certain services. Director Perry explained that we perform all of the services listed, but most of them typically relate to city work—such as maintaining or improving water and sewer lines. This includes installing new water and sewer taps, but not repairs like leak fixes. These rates apply to new services, either for new customers or contractors.

In most new developments, the developer handles their own utility installation. Our role is usually limited to inspection and approval. However, if we do have to step in and perform the work ourselves, we already have rates in place.

Chairman/Commissioner Anderson asked about the purpose of a vac truck and Director Perry responded that it's a versatile piece of equipment. We use it to pump out manholes filled with water, whether from a leak or sewer backup. It also allows for hydro excavation—digging with water pressure—which is especially helpful around delicate lines like fiber optics. It's much safer than using a backhoe in those situations. Just last night, we used the vac truck during a job until a bolt broke on it—luckily, it happened at the end of the night while we were clearing water to keep the work area dry.

A work experience was shared about a recent job site issue by Director Perry. We got called to a location around 4:00 PM. I noticed a cracked tile with two bricks underneath it. The bricks were unstable, and I knew it would eventually give way. Later that evening, right before dark, I got the call that it had failed. I returned to the site and stayed with the crew for most of the night.

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Experiences like that show the kind of behind-the-scenes work that doesn't always get attention. Presenting these stories—like what we went through last night—at professional water or utility events (like TAUD conferences) could be valuable. I've seen presentations like the one in Chattanooga during a bitter cold snap, where workers managed to fix a leak in a main line serving a hospital without disrupting service. It was impressive—and our crews deal with similar challenges all the time.

A recommendation was made to BOMA for the approval of the new hourly rate cost. After a vote was taken, the motion passed. 5-0

c) Water & Sewer Rate Review and Proposal Summary:

Director Perry discussed the sample bill of water and sewer rate increases. Chairman Anderson asked for an overview of current and proposed water and sewer rates. The current minimum monthly bill for 2,000 gallons is:

- Water: \$10.97
- Sewer: \$13.78

In comparison, Tullahoma's rates are:

- Water: \$15.06
- Sewer: \$21.46

We are behind on rates historically. Kathleen Penner prepared a spreadsheet with multiple options, including a 5% annual increase that would bring our water minimum to \$14.70 by 2029. However, I'm proposing we round that to \$15 for water and \$20 for sewer, effective sooner, to simplify billing and provide a modest step forward.

This still doesn't catch us up to neighboring cities, but it starts closing the gap. For reference, Tullahoma buys their water from the same source we do, so our rates shouldn't be far off. I understand rate increases are unpopular. We're not trying to profit, but we also can't operate at a loss.

Discussion of an average monthly usage bill example is based on my (Director Perry) personal usage (approx. 4,000 gallons/month), I calculated the monthly cost under various proposed scenarios. My usage may be a bit higher due to garden watering and occasional hot tub filling, but it provides a useful test case.

Recycling and Sanitation Fees:

- The recycling fee is currently \$8. It used to be \$5 but was increased to help offset the city's \$300,000 annual subsidy for services like leaf and bulk pickup.
- Originally, recycling fees were introduced for public education and awareness. That goal has been met, but the program has evolved into a broader solid waste service.
- The residential trash collection fee with Republic Services has risen from \$18 to \$20 due to CPI-based annual increases. The city absorbed this year's increase (\$0.50 per can) but is exploring returning to in-house service as a long-term cost-saving measure.

These two fees total \$28 monthly, not related to water or sewer.

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Proposed New Rates:

Category	Current Rate	Proposed New Rate	2029 Projected (5%/yr)	Notes
Water - Minimum	\$10.97	\$15.00	\$14.70	Rounded for simplicity
Sewer - Minimum	\$13.78	\$20.00	—	Rounded for clarity
Avg. Water (Inside)	—	\$25.00	\$26.99	Adjusted for infrastructure cost
Avg. Sewer (Inside)	—	\$31.00	\$33.88	
Avg. Water (Outside)	—	\$35.00	\$40.50	Adjusted for supply distance/cost
Avg. Sewer (Outside)	—	\$31.00	\$50.85	Capped to avoid overcharging

Note: While some values (like sewer outside the city) are proposed below the 5% compounding line, this keeps rates fair and avoids triggering scrutiny from state agencies over unusually high discrepancies between inside/outside charges.

The State of Tennessee allows charging more for service outside city limits only if there's a clear cost justification. To avoid legal and public challenges, I recommend we align inside/outside sewer rates at \$31 and explain any differences in water rates based on distance and infrastructure.

We all agree that raising rates isn't ideal, but our current income cannot support the infrastructure upgrades we need—replacing sewer mains, improving water pressure, and adding water towers. These changes aim to:

- Reduce frequent line breaks
- Prevent sewer overflows
- Avoid crisis management of basic utilities

Vice-Chairman/Commissioner Watson made a motion to make a recommendation onto BOMA to increase new proposed water and sewer rates as they are designed to hold steady for the next 3-5 years, reducing the need for annual adjustment unless something major changes (e.g., tariffs, vendor cost spikes, or supply chain issues), Alderman Anderson seconded. After a vote was taken, the motion passed. 5-0

- d) MaRandi Riley has appeared before the board previously requesting water service to her property at 1932 Knob Creek Road (likely "Knob Creek"). The area is in Bedford County, near Hobbs Lane, Bedford Lake Road, and Knob Creek. Water line currently ends at Hobbs Lane (6-inch line). To serve MaRandi Riley's build site, it requires an extension of approx. 1,000 feet. An older quote (circa December 2020) estimated the project at around \$8,500, but the updated cost is now approximately \$19,000. MaRandi Riley has approval and a plat from Northcutt Surveying, and this project was previously approved by the board. There was past verbal approval from the Mayor of Wartrace, stating they would not extend water in that area. Discussion included whether Bedford County would contribute funds (unlikely), and whether it's prudent to extend water outside Coffee County. The current quote includes a fire hydrant, which doubles as a flush point. Concern was raised over resource capacity on that end of town and consistency in serving out-of-county customers. Despite cost concerns, the board appeared supportive due to her long wait and existing approval, with one member suggesting grace should be given due to delays.


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- e) Clarification was made by Alderman Anderson upon the research of City Attorney Craig Johnson about the number of commission members. Though the charter and state law may differ (state says 5, charter 7), an exemption applies due to longstanding board history (since 1922), justifying a 7-member board. Agreement was reached that the ordinance should be updated to reflect the actual number (five) for transparency.

8) **Commissioners Comments:**

None to report.

On a motion from Vice-Chairman/Commissioner Watson, seconded by Commissioner Hillsman, the meeting adjourned. 5-0


Mike Anderson, Chairman


Gary Hunt, Recording Secretary

LIVE STREAMING <https://www.youtube.com/@CityOfManchesterTennessee>

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